

FOOTHILL TRANSIT

MINUTES

The meeting of the Foothill Transit Executive Board was held Friday, September 25, 2009, at the Foothill Transit Board Room, 100 South Vincent Avenue, 2nd Floor, West Covina.

Chair De La Torre called the meeting to order at 8:03 a.m. The following members were present, constituting a quorum of the Executive Board:

Michael De La Torre, Chair
Roger Chandler, Vice Chair
Peggy Delach
Carol Herrera
Paula Lantz

Pledge of Allegiance

Chair De La Torre led those present in the Pledge of Allegiance.

APPROVAL OF MINUTES FOR THE REGULAR MEETING OF AUGUST 28, 2009

The minutes for the regular meeting of August 28, 2009, were approved as submitted, with the following correction:

On page 7, under "Transit Access Pass (TAP) Update", paragraph 2, bullet 2, "TAP customers may board using the rear door, but cash customers may not", change to "*No customers may board using the rear door...*"

Motion: Vice Chair Chandler, seconded by Chair De La Torre.

Vote: Unanimously carried

PRESENTATIONS

5.1 Introduction of New & Promoted Staff

Doran Barnes, Executive Director, presented the new hires and promoted staff at Foothill Transit. He introduced Darla Higgins, Grant Specialist, who has 23 years of experience as a Credit Manager; Ruben Cervantes, Project Accountant, received a Bachelor's degree from Westwood College in Accounting; and, Lauren Cochran, Operations Analyst, who comes from the Santa Monica Chamber of Commerce in Advocacy.

5.2 Contractors' Employee Recognition

LaJuana Carter, General Manager, introduced and recognized the Arcadia location MV Transportation Operator of the Month, Sharon Tang, who has been an operator with Foothill Transit for twelve years, and MV Transportation Employee of the Month,

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Rolando DeSouza, who been with Foothill Transit for eighteen years, and has won the Safety Excellence Award for five years in a row.

Peter Greenberg, General Manager, introduced and recognized the Pomona location First Transit Operator of the Month, Andrew Rowinski, who has been an operator with Foothill Transit for four years with a perfect driving record, which has earned him the distinction of being one of the first drivers assigned to the new 1700 series coaches.

Chair De La Torre congratulated those recognized.

5.3 Remarks & Update by Assembly Member Norma Torres

David Reyno, Director of Government Relations, welcomed and introduced California State Assemblywoman Norma Torres. In 2000 she was elected to the Pomona city council and served one time as Mayor; she now represents the 61st Assembly District for the State of California.

Assemblywoman Torres pledged her commitment to public transportation and regards it as a priority. She added that instead of expanding highways, funding should be directed more towards expanding public transportation. Foothill Transit is to be commended for supporting green initiatives and standing in the forefront of alternative fuels in transportation. Mr. Barnes presented Assemblywoman Torres with a plaque from Foothill Transit.

PUBLIC COMMENT

There was none.

CONSENT CALENDAR:

The Executive Board adopted the Consent Calendar items 7-12.

Motion: Member Delach, seconded by Vice Chair Chandler

Vote: Unanimously carried

REGULAR AGENDA:

ELECTRIC BUS BRANDING INTRODUCTION

Linda Somilleda, Director of Marketing and Communications, reported that Foothill Transit met with Pulsar Advertising for a public relations campaign that would help spread the news on the new eco-friendly electric bus project. The proposed name of the project was narrowed down to five and then subjected to a vigorous trademark analysis.

The Foothill Transit *Ecoliner*, met the criteria and passed the trademark test. The word is derived from “ecological” and a traditional transportation phrase, “liner”, referring to smooth and efficient. The name embodies the spirit of Foothill Transit’s mission to improve the lifestyles of people in the region through its commitment to innovation.

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The Executive Board received and filed the Electric Bus Branding Introduction.

Motion: Member Delach, seconded by Chair De La Torre

Vote: Unanimously carried

ELECTRIC BUS UPDATE

Lauren Cochran, Operations Analyst, gave an update on the various components of the Ecoliner project:

- On September 1, 2009, Foothill Transit's technical team and legal counsel met with bus manufacturers Proterra at their Golden, Colorado facility to conclude contractual arrangements. The unique contract must not only satisfy the original equipment manufacturer (OEM) needs, but must also meet all Federal Transit Administration (FTA) and Foothill Transit policies and procedures regarding capital purchases. A few remaining points of clarification are being finalized.
- Foothill Transit applied for a \$5 million grant for Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) to support the full implementation of the project's planned twelve buses and charging infrastructure, but unfortunately was not awarded a TIGGER grant. Foothill Transit then applied for a \$5 million Transportation Investment Generating Economic Recovery (TIGER) grant, and award announcements will be made in October.
- The first bus shell is scheduled to arrive at the Golden facility for final assembly by October 1, 2009. The first finished bus and charger is scheduled for delivery to Foothill Transit on February 24, 2010.
- Foothill Transit met with the Pomona City Manager and the Pomona city staff to discuss the installation of the in-route charging station. There are three other locations considered for installing fast charge equipment:
 1. La Verne City Hall
 2. The Caltrans facility at the southern end of Line 291
 3. Foothill Transit Operations and Maintenance Facility

Dale Hill, Chief Technical Officer, Proterra, commended the Executive Board for expressing a positive attitude towards the electric bus project. Mr. Hill reported that there were 17 transit agencies that submitted proposals for battery-powered electric buses. Reuben Sakar, the engineer who headed the drive-train team of the Chevy Volt line, recently joined Proterra to develop new transportation models. The head of manufacturing for Textron, who owns Cessna Aircraft, among other companies, will be joining Proterra as Vice President of Operations next month, so the company is bringing in many well-seasoned and innovative engineers to their team.

Proterra is on-schedule: they spoke to their manufacturer this week and the buses are painted and ready to be assembled. 80% of the top 25 items that go on the bus (body, seats, windows, etc.) have been ordered. The suspension cradles have been fabricated

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and shipped in from Germany. The chargers will be on-schedule for delivery; to date no problems in the process exist.

In response to Vice Chair Chandler, Mr. Barnes reported that the first round of grant funding would pay for the remaining nine buses after the first three were manufactured. Member Herrera commented that she is very impressed with Proterra and is looking forward to seeing the new buses. Mr. Barnes added that the project will be high-profile globally and is a tremendous opportunity for the city of Pomona.

The Executive Board received and filed the Foothill Transit Electric Bus Project update.

Motion: Vice Chair Chandler, seconded by Chair De La Torre
Vote: Unanimously carried

CONTRACT AWARD – ELEVATOR REHABILITATION

Gary Nehls, Director of Procurement, reported that when Foothill Transit moved its administrative offices to 100 S. Vincent Avenue in West Covina in June 2007, the due-diligence study that was undertaken indicated that the building's nearly 40 year-old elevators were beyond their useful life. That work was not included in the scope of work for the build-out due to budget constraints. With the availability of Economic Recovery and reinvestment Act of 2009 (ARRA) funds, it is now possible to move forward with this project. The new elevators will be more reliable and will afford a higher level of building security and access control.

On February 19, 2009, the Executive Board authorized the Executive Director to issue an Invitation for Bid (IFB) for elevator rehabilitation at Foothill Transit's Administrative Offices. IFB No. 09-019B was issued on June 30, 2009. The IFB was advertised in two local newspapers, posted on Foothill Transit's website, and sent directly to five elevator contractors.

A mandatory job walk and pre-bid conference was conducted on July 15, 2009, and eight elevator contractors were provided a tour of the site and allowed to ask project-related questions. Bids were then received on August 13, 2009, from three firms: Schindler, Otis Elevator and ThyssenKrupp. Schindler Elevator was determined to be the lowest responsive and responsible bidder, at a bid amount of \$381,580. They have been in business for twenty years and are the second biggest elevator manufacturer in the world.

The Executive Board authorized the Executive Director to execute a contract in the amount of Three Hundred Eighty-One Thousand Five Hundred and Eighty Dollars (\$381, 580) with Schindler Inc. for elevator rehabilitation at Foothill Transit's administrative offices.

Motion: Chair De La Torre, seconded by Member Delach
Vote: Unanimously carried

**CONTRACT AWARD – ASSOCIATED PREMISES WORK FOR ELEVATOR
REHABILITATION**

Gary Nehls, Director of Procurement, reported that during the procurement process for elevator rehabilitation, it was determined that two separate IFBs were the best option for this project; one for the actual rehabilitation of the elevator cabs and control system and another for the associated premises work, i.e. the electrical and generator work. This contract award is for the associated premises work.

On February 19, 2009, the Executive Board authorized the Executive Director to issue an IFB for elevator rehabilitation at Foothill Transit's administrative offices. An IFB for this work was issued on June 18, 2009 and a single bid was received on July 16, 2009. In an attempt to increase competition, the IFB was re-issued on August 27, 2009. As was previously done, the IFB was advertised in three local newspapers, posted on Foothill Transit's website, and sent directly to more than sixty construction firms.

On September 16, 2009, a single bid in the amount of \$300,460 was received from Fast-Track Corporation. The bid package was thoroughly reviewed to determine responsiveness to the requirements stated in the IFB and the professional references of the bidder were checked. Fast-Track Corporation specializes in general construction and construction management and has been in business for 29 years. They have completed projects for Rio Hondo Community College, the City of Claremont, and the Burbank Airport Authority.

The Executive Board authorized the Executive Director to execute a contract in the amount of Three Hundred Thousand Four Hundred and Sixty Dollars (\$300, 460) with Fast-Track Corporation for premises work associated with the elevator rehabilitation at Foothill Transit's administrative offices.

Motion: Member Delach, seconded by Vice Chair Chandler

Vote: Unanimously carried

H1N1 FLU RESPONSE UPDATE

Jaime Becerra, Director of Safety & Security, reported that the flu season has arrived early this year; typically, it runs from late November through late May of the following year. There are two strains of the influenza virus that will need to be contained during this season: 1) the regular or seasonal strain, which normally impacts thousand of people every year, and, 2) the Swine or Novel H1N1 Influenza virus. In May of this year, a memorandum was prepared by the administrative team advising the Foothill Transit Executive Board of the first reports of the Novel H1N1 Influenza outbreak and the agency's response to mitigate its impacts.

The first step in response to this threat was to initiate an awareness campaign -based information and viral infection counter-measure instruction from the World Health Organization (WHO), the Centers for Disease Control (CDC), and the Los Angeles County Department of Health was disseminated to all members of the Foothill Transit team and their customers via worksite postings, e-mails, e-alerts, the Foothill Transit website, media releases and direct presentations.

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The second step was to promote self-defense measures against infection to members of the Foothill Transit team. They were provided with additional hygiene resources such as hand sanitizer stations throughout the facility, alcohol-based antibacterial hand gels and wipes and antibacterial soaps. N95 rated filter masks are also available at all Foothill Transit members should they be required by the CDC, DHS, the State of California, or local public health agencies.

The third step is a proactive measure to maintain a clean and sanitary environment, bus interiors and public areas within Foothill Transit facilities (door handles, counters, faucet handles, tables, etc.) are wiped down on a daily basis with a hospital grade disinfectant.

Staff is researching the feasibility of providing influenza vaccinations (both seasonal and H1N1) for all members of the Foothill Transit team in order to lower the potential impact to daily operations. In a proactive effort to reduce negative impacts, Foothill Transit's Pomona operations and maintenance contractor operator, First Transit, is already offering free seasonal flu shots to its employees. Pricing for the currently available seasonal vaccinations is approximately \$25 per person. Partnering with local health authorities throughout this current health event remains a priority and regular updates will be provided to the Executive Board on impacts and actions as the event progresses.

Member Herrera commented that she is happy to hear that Foothill Transit is taking every effort to prevent the disease.

The Executive Board received and filed a report on Foothill Transit's preparedness for and response to the H1N1 virus.

Motion: Vice Chair Chandler, seconded by Chair De La Torre
Vote: Unanimously carried

FARE COLLECTION SYSTEM MODIFICATIONS

Richard Hasenohrl, Director of Finance, reported that at the August 2009 Executive Board meeting, the Board directed the Executive Director to explore Foothill Transit's options regarding alternatives to the current fare collection system. The available options are to replace the entire system or modify the current system to meet Foothill Transit's business rules. Based on a preliminary review, it appears the most cost effective solution would be to modify the existing GFI Odyssey fareboxes, which contain Cubic logic boards and Cubic smart card readers.

The recently installed fareboxes could be modified with GFI components in place of the Cubic components. The standard GFI fare collection system also allows for use of magnetic card readers. This magnetic functionality would require adding Transfer Reading and Imprinting Machines (TRIMs).

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Installing the existing fareboxes with TRIMs and smart card readers would accommodate the use of cash, smart cards, and magnetic media. It would also restore the functionality for “proof of payment” that would allow the resumption of rear door boarding on Silver Streak buses. Fare media (31-Day Passes, cash purse, transfers, and proof of payment) to be available on magnetic media and/or smart cards (paper or plastic) appealing to Foothill Transit’s diverse customer base. To accomplish this, in addition to the TRIM unit, the farebox would be equipped with a swipe reader for magnetic media that would reduce TRIM maintenance. The cost to modify the current fare collection system has been estimated at \$2.4 million.

These modifications would provide customers with seamless travel within the Foothill transit system using magnetic or smart cards. Customers choosing to transfer to other transit systems in the region would be able to use the TRIM-produced magnetic paper transfers. In addition to the magnetically embedded media, the valid date and time is printed on these transfers, which would provide data for statistics and reports. The regional EZ Transit Pass is not currently available on a smart card. The paper EZ Transit Pass media would still be accepted until the cards are loaded onto the regional Transit Access Pass (TAP) card.

Conversion from the existing system to an off-the-shelf GFI fare collection system will allow Foothill Transit’s business needs to be met while the TAP system is brought online with full Foothill Transit and regional functionality.

Mr. Barnes added that GFI will not proceed with installation until Cubic Transportation and Metro concur with the replacement of the farebox system due to contractual reasons. In addition, the Governing Board will need to make a budget adjustment to Foothill Transit’s Fiscal Year 2010 budget to reprogram the funds for this transition. Pending direction by the Governing Board, the actions to recommend adjusting the budget and awarding a contract will be brought back to the Executive Board at their October meeting.

In response to Chair De La Torre, Mr. Barnes reported that in the event Metro does not approve the modification requested, Foothill Transit would be left with two options:

- Continue with the current system as it is functioning; or,
- Completely abandon the GFI system and go with a third party system; there are other farebox developers on the market in addition to GFI and Cubic Transportation.

Member Lantz commented that there was always dissatisfaction with Cubic; therefore, moving to another system was always an option. Foothill Transit has always placed customer satisfaction first and the Cubic system has not served the customers well. When approaching Metro on the proposed modifications it would be recommended to supply a list of requirements that Cubic fell short of providing in order to strengthen Foothill Transit’s request.

Following discussion, the Executive Board directed staff to proceed with the replacement of the farebox operating system and to seek Metro's approval to proceed with this change.

Motion: Member Lantz, seconded by Member Delach
Vote: Unanimously carried

FISCAL YEAR 2011 PRELIMINARY BUDGET REVIEW

Richard Hasenohrl, Director of Finance, reported that the preliminary Fiscal Year 2011 budget with revenues remaining flat and expenditures increasing by three percent, the projected FY 2011 deficit is approximately \$13.5 million. Eliminating the \$13.5 million deficit would require the economy to greatly improve or for Foothill Transit to consider various options including service reductions, using reserves or a combination of these two options. An annualized service level reduction of \$4.0 million effective January 2010 would yield a \$2.0 million cost saving for the current fiscal year that would be carried over to FY 2011.

The FY 2010 Business Plan was prepared prior to Metro adopting the FY 2010 Formula Allocation Procedure (FAP) funding marks. The assumptions used to prepare the budget allowed for a balanced FY 2010 budget. The majority of Foothill Transit's revenues allocated through the FAP are based on sales tax which has continued to decline. While reliable estimates for declines in sales tax revenue are difficult to obtain due to delays in the reporting of this revenue, it does appear that the June FAP allocation will be lower than expected. At the June 2009 Metro board meeting the FAP allocations were approved.

An annualized service reduction would compound for the next fiscal year and provide \$4.0 million of cost savings for FY 2011. An additional service adjustment in FY 2011 could reduce the deficit by another \$2.0 million. These service adjustments along with fuel cost savings could reduce the projected \$13.5 million deficit to approximately \$2.5 million. The budget is set at \$3.0 million in fuel costs, as long as they do not increase next year. The balance could be eliminated by using reserves or by the elimination of the estimated 3% operations contract cost increases, because the cost of living adjustment is insignificant.

In response to Vice Chair Chandler, Mr. Hasenohrl reported that the Foothill Transit reserve budget is set at \$18-20 million, but to date has not been used. Mr. Barnes reported that a list of proposed service reductions will be drafted and presented to the Board next month, and upon approval will be taken to the Governing Board in November 2009. The options in budget adjustments would be:

1. Increasing bus fares. Fare increases are offset by ridership reduction. It is not a way to generate a significant amount of funding.
2. Non-direct related service expenses. Over 10% of the budget is used on administrative support activity, i.e. planning, finance, procurement, Transit Stores, etc. It would not be worth cutting because it would only affect 10% of the budget.
3. Service reductions would be the most practical option at present.

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In response to Member Herrera, staff reduction is contractual unlike local government staffing policies. There wouldn't be a significant cost savings in reducing staff.

The Executive Board received and filed the Fiscal Year 2011 Preliminary Budget Review Report and provide direction to staff.

Motion: Member Delach, seconded by Member Lantz

Vote: Unanimously carried

EXECUTIVE DIRECTOR COMMENT

Doran Barnes, Executive Director, reported the following:

- Next month's Executive Board meeting is scheduled to begin at 10 a.m., later than the usual 8 a.m. time slot.
- The next Governing Board meeting is scheduled for November 6, 2009. Two important issues on the agenda will be the budget adjustment issue and the farebox issue.
- The American Public Transportation Association (APTA) will be holding their annual conference next weekend. Chair De La Torre and Member Herrera plan on attending and Mr. Barnes has been nominated to serve another one-year term as Vice Chair of the Executive Committee.
- LaShawn Gillespie, Director of Planning, will be graduating from the Leadership APTA Program. She has been involved with that program for the past year.
- Jaime Becerra, Director of Safety & Security, has been selected to participate in the next Leadership APTA Program.
- The California Transit Association Conference will be held in Pasadena on October 27-29, 2009. At the meeting officers will be elected for a two-year term, and Mr. Barnes will be pursuing the position of Chair of the Transit Association. The election will be on October 27, 2009.

BOARD MEMBER COMMENT

Member Herrera commended her fellow Board members and Foothill Transit administrative staff for working hard on facing the tough challenges that have faced them during these trying times. She also commended the operators honored today for providing excellent service to the public, which is a key ingredient in maintaining Foothill Transit's success.

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Existing Litigation, Government Code § 54956.9(a)

Name of Case: Watry Design, Inc. v. Foothill Transit

Los Angeles County Superior Court, Central District, Case No. BC415976

CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Government Code § 54956.8)

Property Address/Location: APN#84474-009-009

Agency Negotiator(s): Doran J. Barnes, Roland Cordero, Edward J. Gill, Darold D. Pieper, Kevin McDonald, Travis Boyd

Negotiating Parties: Delta JC, LLC

Under Negotiation: Price and Terms

The Executive Board recessed at 9:17 a.m. to Closed Session.

The Executive Board reconvened at 10:08 a.m. from Closed Session.

Darold Pieper advised that no reportable action was taken.

ADJOURNMENT

There being no further business, the Executive Board adjourned at 10:09 a.m.

Staff and guests present:

Doran Barnes, Executive Director
Kevin McDonald, Deputy Executive Director
Darold Pieper, General Counsel
Ed Gill, Legall Counsel
Richard Hasenohrl, Director of Finance
Linda Somilleda, Director of Marketing & Communications
George Karbowski, Director of Operations & Maintenance
Gary Nehls, Director of Procurement
Jaime Becerra, Director of Safety & Security
LaJuana Carter, General Manager
Wayne Fritz, General Manager
Peter Greenberg, General Manager
Roland Cordero, Director of Facilities
Lauren Cochran, Operations Analyst
Dale Hill, Chief Technical Officer, Proterra
Martha Arana, Commission Services